

# Border Energy Project

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Western Governors' Association



**BORDERENERGY ENERGÍA FRONTERIZA**

Donde los negocios y el medio ambiente se encuentran.  
Where business and environment come together.

# Project History

- Objective is to reduce energy consumption and improve environmental quality along the U.S.-Mexico border through the promotion and use of energy efficiency equipment – Initiated in 1999
- “On the ground” air quality improvements
- Focus Groups
  - Borderenergy.org
  - Audits – 15 “preliminary” audits
  - Marketing Materials
- Market Assessment – completed March 2004
- BEARs



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# Market Assessment

Information sources include:

- SENER (Secretaria de Energia)
- Southwest Center for Environmental Research & Policy
- CEC (California Energy Commission)
- Energy Information Administration, U.S. DOE
- Southwest Energy Efficiency Project
- U.S. – Mexico Border Program
- Local economic development associations and trade associations



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# Market Assessment

## Border Region Highlights

- Current population 11.8 million (U.S. 6.3 million, Mexico 5.5 million)
- Projected population growth rate of 4% - 6% over next 20 years
- 60% of the additional capacity needed in Mexico expected to serve border region states
- Manufacturing employs >28% of the workforce in the Mexican border region
- ~87% of the manufacturing activity here concentrated in Tijuana, Ciudad Juarez, and Matamoros (also Mexicali, Reynosa, and Nogales)
- Energy conservation can play a key role in meeting electricity needs



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# Market Assessment

## Study Results

- Study focus: Tijuana-San Diego, Ciudad Juarez-El Paso, and Matamoros-Brownsville
- Examined economic sectors that could yield significant energy savings through the application of efficiency
- In the three cities studied, targeting assembly of electronics, furniture, and automotive products would produce annual energy savings of 326,000 mwh and \$17.1 million in energy costs
- Efficient lighting and HVAC could save facilities an average of 26% on energy bills

# Market Assessment

## Challenges to Implementation

- Customer financing – Small projects
- Customer Awareness and Knowledge – information, contacts, etc.
- Technical Assistance
- Undeveloped Energy Services Industry
- Lack of Market Data
- Project Champions
- Regulatory Environment – alternative energy projects

# Market Outreach – The BEAR's

- Goal – Develop a “grass roots” effort to achieve energy savings – take advantage of local knowledge, contacts, leaders, etc
- Border Energy Advisory Roundtable – take initiative for recommending and implementing outreach programs into local businesses and communities.
- Fund events, information, audits (financial grade), etc.
- BEARs are active this year in Tijuana and Ciudad Juarez

# Clean and Diversified Energy

- North American Energy Summit – April 2004
- Richardson/Schwarzenegger letter



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# Vision

- Traditional resources such as oil, natural gas, coal and hydropower will continue to play a significant role in meeting future energy needs
- Energy efficiency, solar, wind, geothermal, biomass, clean coal technologies and advanced natural gas technologies provide promise for supplying a portion of our energy needs



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# Objectives

- Protect the economy from energy shortages and price spikes
- Create a diverse energy portfolio that includes conventional and alternative sources
- Meet growing energy demand in the West
- Better position the West to meet environmental challenges
- Take advantage of new technologies



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# Governors Policies

- National energy policy that results in a diverse portfolio of traditional and alternative sources
- Develop 30,000 megawatts of clean energy by 2015 from energy efficiency, solar, wind, geothermal, biomass, clean coal technologies and advanced natural gas technologies
- Increase energy efficiency by 20% by 2020
- Stress incentive-based, non-mandatory approaches
- Form advisory committee
- Recommendations due June 2006



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# Other Efforts

- Partnership with NAD Bank, World Bank and CEC to do audits in Monterrey
- CSP initiative with DOE to determine how to achieve 1,000 mw



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# Information

- [Borderenergy.org](http://Borderenergy.org)
- [Energiafronteriza.org](http://Energiafronteriza.org)
- [rhalvey@westgov.org](mailto:rhalvey@westgov.org)
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